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Development (1948) Department.

MS SERIES.

G.O. No. 714

Dated 16-2-48

[Despatch Abstract.]

LABOUR : LABOUR MINISTERS' CONFERENCE : NOVEMBER 1947 :

PAPERS RECORDED.

DEVELOPMENT DEPARTMENT.

INDUSTRIAL HOUSING.

This subject has been included as item (iii) in the agenda of the Labour Ministers Conference to be held in New Delhi on the 16th November 1947. This subject came up for consideration during the meeting of the Labour Ministers held in April last and the notes of discussion will be found at pages 114 - 120 c.f. of "T". The Memorandum now forwarded by the Government of India at pages 3-5 c.f. may be perused. The Commissioner's remarks are at pages 23-24 c.f.

2. The views of this Government are called for on the following aspects of the question, namely, (i) Finance, (ii) Land and (iii) building materials:-

FINANCE: The Government of Bombay have proposed that employers may be required to meet a proportion of the cost of industrial housing by imposing on them a suitable levy on the basis of the number of persons employed. The rate of levy proposed is shown at K on p.4 c.f. It has been suggested that in imposing such a levy there should be uniformity in all provinces to avoid differential treatment in respect of industries located in different provinces. The Commissioner of Labour agrees that uniformity is desirable.

3. The Memorandum of the Government of India does not mention anything about the contribution of Central or Provincial Governments and as to what proportion of the total cost of the housing schees should be met by employers. The Rege Committee suggested that State should provide at least capital finance for housing, leaving the recurring expenditure to be shared by other interests concerned. In out of the way places where land and material are cheap the Committee considered that, employers should be asked to house their workers at their own cost and in urban areas where values are higher and sites scarce the State should accept direct responsibility and provide capital finance. During the last Labour Ministers Conference all the Ministers agreed that the Central Government should contribute a substantial subsidy for housing outside the post war development grants.

This Government may perhaps agree in principle that it is primarily the employer's responsibility to provide housing accommodation for workers and that they should be made to share the cost of providing such accommodation. It may also be agreed that, in the first instance, the levy on them should be confined to establishments employing more than 100 workers. A rate of Rs. 2 per month, proposed, however seem to be too high.

LAND: Government of India have suggested that it is for the Provincial Governments to find out ways and means to control land prices, as the reduction in the price of land will bring down the cost of housing too. This question was discussed at the Labour Ministers Conference in April last. A suggestion was then made that statutory powers should be taken to peg the prices of land to a suitable pre-war level and provisions made for suitable allowances for appreciation. Then the H.M.(Labour) suggested that prices might be fixed at double the prices obtaining in 1939 just before the war.

This Government have appointed a Provincial Housing Committee to examine the question of housing problem in all its aspects. The Committee was specifically asked to consider the question of control of land values and the Committee's recommendation in this regard is as follows:-

> "The control of prices of land should apply only to land required for public purposes and public utility purposes including housing schemes, and the prices shall be fixed on the basis of prices current in the locality in 1939-40 which were to be taken as the basic cost. An increment thereon not exceeding 40 per cent may be allowed by the Land Acquisition Officer."

The recommendation has been referred to the Registrar of Co-operative Societies for remarks in consultation with the concerned Heads of Departments, and for submitting proposals. Any legislation in this direction will be taken on receipt of the Registrar's proposals.

BUILDING MATERIALS: (i) Iron and Steel: It is estimated that at least 4,000 tons of iron and steel per annum will be required for the housing schemes undertaken in this Province. The Government of India have been addressed for the allotment of this quantity, as it is not possible to meet the requirements of the Housing schemes from the Provincial quota. It is observed from a recent letter received from the Government of India that they have allotted 4,000 tons for housing schemes for the whole of India including the Indian States, for the 1st ~~last~~ quarter of 1948. This Government have placed an indent for 1,000 tons for the 1st quarter of 1948.

(ii) Cement: The Registrar of Co-operative Societies pointed out that the existing cement Factories can produce enough cement to meet the requirements of the housing schemes provided adequate supply of coal and wagon facilities are made available to them. The Registrar of Co-operative Societies is being addressed to furnish an estimate of the additional quota of coal and wagon facilities that may be required. The concerned authorities will have to be addressed on receipt of his reply.

(iii) Bricks: ~~Adequate~~ Adequate quantities of coke and coal are required for the manufacture of bricks. For the present the Deputy Coal Commissioner, Calcutta, has been addressed for the allotment of 500 wagons of coal for this purpose.

(iv) Timber: This Government have arranged for the supply of adequate quantitites of timber by the Forest Department for the Co-operative housing schemes.

A copy of the draft leaflet expalining the Co-operative Housing schemes sponsored by this Government is put up at "W"

C.M./14.Xi.48

DEVELOPMENT DEPARTMENT.

Sub: QUESTION OF SETTING UP A COMMITTEE TO ENQUIRE INTO THE SYSTEM OF FORCED LABOUR.

The above subject forms the fourth item in the agenda of the Labour Ministers Conference to be held in New Delhi on 16th November 1947. The Memorandum at pages 7-9 c.f. sent by the Government of India explains the history of the question. This Government have been requested to express their views on the desirability or otherwise of instituting an enquiry into the question of forced labour in the country and, if they favour the former, also whether they consider that the Committee should be sent up immediately or could be postponed. The terms of reference of the proposed committee are indicated at M on p.9 c.f.

2. The question of forced or compulsory labour was examined in 1931 at the instance of the Government of India and as a result of the examination it was found the following two Acts related to forced or compulsory labour -

(i) Madras Forest Act, 1882
(ii) Madras Compulsory Labour Act, 1858.

No amendments to these Acts were, however, considered necessary as the services required under these Acts were either covered as by the exceptions in Article 2 of the International Labour Organisation Convention on the subject or were not to be reasonably regarded as forced or compulsory labour. Rare instances of some forms of forced labour such as "Vetti" labour, "Gothi" system etc., were noticed in the agency tracts and steps were taken to discontinue these practices.

3. The question was again examined in consultation with the Commissioner of Labour, Director of Agriculture and Board of Revenue when the Government of India addressed this Government on the subject in January 1945. The report of the Board of Revenue showed that force or compulsory labour was prevalent in more than half a dozen districts in the presidency, in some form or other, though there was no legislation by which such labour was obtained. The Board was in favour of the proposal to constitute an Enquiry Committee. The Government, however, considered that it was difficult to state that "forced labour" as defined by the International Labour Conference existed in any appreciable form in the province and consequently it was not a live issue. The Government of India were informed that time was not opportune for setting up a Committee, as officers were already over worked, and that a Committee w may be constituted after the War.

4. The Commissioner of Labour remarks on the Memorandum of the Government of India at pages 25-26 c.f. He has invited attention to the (1) The Industrial Disputes Act, 1947 and Madras Maintenance of Public Order Act, 1947 as instances of legislation permitting the use of compulsory labour. The International Labour Organisation Convention does not apply to such enactments as assumed by the Commissioner of Labour. Please see the definition of forced labour in the notes extracted at page 31 of E. The Commissioner has further stated that in view of the recent legislation (like Removal of Civil Disabilities Act, 1938, its 1947 amendment, and the Madras Temple Entry Authorisation Act, 1947) providing for the amelioration of the conditions of members of the Scheduled castes, who include the bulk of the people subjected to the practice of forced labour and also in view of the fact that a Committee has recently been appointed to report on the aboriginal tribes and inhabitants of the agency tracts there is no need to set up a committee as proposed by the Government of India.

5. It does not appear that the Acts mentioned by the Commissioner will serve to prevent forced labour. Recently complaints were received from South Kanara of the prevalence of some form of forced labour and the Harijan Welfare Committee has been asked to go into these complaints. In view of the report of the Board of Revenue referred to in paragraph 3 above, this Government may perhaps agree to the constitution of a Committee as proposed by the Government of India at an early date.

C.M./14.11.47

Summary of proceedins of the Provincial Labour Ministers' Conference held on the 16th and 17th November 1947 under the Chairmanship of the Hon'ble Shri JagjivanRam, Minister for Labour, Government of India.

Present:

(1) The Hon'ble Shri Jagjivan Ram,
Minister for Labour, Government of India (in the chair)
(2) The Hon'ble Dr. S.C. Banerjee,
Minister for Labour, West Bengal.
(3) The Hon'ble Shri A.N.Sinha,
Minister for Labour, Bihar.
(4) The Hon'ble Sri G.L. Nanda,
Minister for Labour, Bombay.
(5) The Hon'ble Shri S.V. Gokhale,
Minister for Labour, Central Provinces and Berar.
(6) The Hon'ble Shri N. Kanunga,
Minister for Labour, ~~Eas~~ Orissa.
(7) The Hon'ble Shri Prithvi Singh Azad,
Minister for Labour, East Punjab
(8) The Hon'ble Shri Sampuranand,
Minister for Labour United Provincies.
(9) Mr. K.G. Menon, Joint Secretary,
Madras Government (only for the first day)

In attendance:
(1) Mr. S. Lall, Secretary, Ministry of Labour.
(2) Mr. V.K.R.Menon, Offg.Secretary, Ministry of Labour.
(3) Mr. V.Narayanan, Joint Secretary, Ministry of Labour.
(4) Dr.N.Das, Director General, Resettelement and Employment
(5) Rai Bhadur H.Khanna, Deputy Secretary, Ministry of Labour
(6) Mr.S.P. Saksena, Directorl Labour Conferences, Ministry of Labour.
(7) Mr. K.K. Bhargava, Actuary, Ministry of Labour.

Opening the Conference the Chairman, after welcoming the Ministers, apologised for the short notice at which the Conference was called and for the documents not having been sent in time for departmental study in the Provinces.

2. The Conference then proceeded to consider some of the important resolutions passed at the ASIAN REGIONAL CONFERENCE.

3. The Chairman explained the resolution concerning the organisation of tripartite conferences and suggested that it would be useful if tripartite conferences could be set up in the Provinces and for important industries. He was aware that such conferences had already been organised in some Provinces and hoped that they would be set up in all Provinces.

4. The West Bengal Minister stated that there was an Advisory Board in his Province, but he did not find it effective. In his view the conciliation and adjudication machinery and the Works Committees provided for under the Industrial Disputes Act, 1947, was very effective instruments for promoting industrial peace, and consequently, there was no need for another tripartite labour organisation.

5. The Bihar Minister said that he had already moved in the matter, and that the first meeting of the Provincial Tripartite Advisory Committee had already been held at Dhanbad. It was his intention that the Committee should meet regularly at all the important centres in Bihar by rotation, and discuss all labour problems. He also intended to set Committees to study the special questions relating to important industries and settle the problems, as far as possible, locally. These organisations could do no harm and they might be of considerable benefit. He, therefore, felt that the experiment should be given a fair trial before an opinion could be express one way or the other regarding its usefulness.

6. The Bombay Minister felt that the question of setting up tripartite organisations had passed the experimental stage and it was now part of the generally accepted set up. He had, in his province, a Labour Advisory Board consisting of the Minister for Labour as Chairman and representatives of industry, commerce and labour in the Provincial Assembly as members. The presidents of the Congress Committees in the three Congress Provinces in the Bombay Presidency had also been added to the Committee as representatives of consumers. The Board had held several meetings. He felt that the organisation should be representative, not only of Government, Employers and Workers, but should also include representatives of consumers as well, whose presence, according to his experience, had a very sobering and helpful effect on the discussions and settlement of questions, especially those on which the workers and employers were likely to be sharply divided. It was his intention to make the Committee more representative. He also proposed to set up such Committees for all the industries covered by the Bombay Industrial Disputes Act. He pointed out that the decisions of the adjudicating authorities, set up under the Industrial Disputes Act, were decisions of third parties. The object of these tripartite organisations was to provide an opportunity for employer and workers to come together ~~th~~ and reach mutually acceptable decision. The organisations enabled the workers' representatives to have an effective share in shaping policies regarding social and labour matters and this was a very important consideration, especially as they were aiming at the creation of an industrial democracy.

7. The Minister ~~f~~erom the Central Provinces and Berar ~~should~~ shared the view that Committees would be very useful. He agreed with the Bombay Minister that they should contain some members representing the genral consumer interests as well. There were tripartite Committees in the Central Provinces and he had found them useful. Proposals embodied in the C.P. Industrial Disputes Act and the Shop Assistants' Bill were discussed by the Committees and as a consequence the legislation had a smooth passage in the Assembly. The Committees would pave the way for mutual understanding and promote closer relations between capital and labour.

8. The Orissa Minister agreed that bringing together people with divergent views and conflicting interests can do nothing but good. He had not thought of setting up a Committee in Orissa, because there was a very little of industrial labour in his province. They had to think of the danger of unrest among agricultural labour and devise some machinery for promoting better understanding between agricultural labour and employers. He emphasised that the Committees should be composed of pesons with influence over the people they claimed to represent, so that the decisions reached by the Committee could carry weight with the people.

9. The Minister from East Punjab agreed that the tripartite Committees has proved useful in settling disputes. He was in favour of such committees. But they would not be suitable for agriculture. He suggested the institution of committees in which there would be representatives of all interest, namely, industrial labour, agricultural labour, industrial employers, Zamindars and Government, and that this Committee should discuss all problems relating to labour, industrial as well as agricultural.

10. The United Provinces Minister agreed with the Bombay Minister that the experimental stage was now over. He felt that careful consideration should be given to questions relating to the relationship between the Provincial and Central tripartite organisations, competitive claims of different labour organisations for representation on the Committees and the functions to be assigned to these Committees. There was no tripartite organisation in the United Provinces, but sometime back he had called a conference of representatives of employwers and workers in the textile industry, but the labour leaders had been invited in their personal capacity. He had also called a similar conference of employers and workers in the sugar industry and this conference was more successful. It had also decided to set up a permanent Conciliation Board consisting of a representaive each of workers and employers with a Government official as Chairman.

11. The Joint Secretary to the Madras Government stated that the Madras Government was in full sympathy with the idea and would arrange for the institution of tripartite organisation as soon as possible.

12. Mr. Lall explained that the tripartite labour organisations referred to in the Asian Labour Conference Resolution, were intended to discuss all measures relating to the improvement of the standard of living of workers, production and output. The object of these organisations was to provide a machinery for the continuous examination of labour problems and for formulating concrete proposals for legislation. He pointed out that Government had a bigger representation in the Committee and that this was given because of the necessity to secure the representation of the consumer's interests as well.

13. The Chairman in winding up the discussion referred to the points made by the Minister from West Bengal that there would be no scope left for the tripartite organisations if the machinery set up under the Industrial Disputes Act worked properly, and pointed out that the various bodies set up under the Industrial Dispute Act were statutory, while the proposed tripartite organisation was an Advisory Body. Its objectives, was not merely to settle disputes, but to formulate plans for attaining their social objectives. The organisations would enable the workers' representatives to play an effective part in the shaping up of policies relating to labour and social problems.

14. Discussing the resolution on measures designed for promoting industrial peace and increasing production, the chairman pointed out that they should have a definite policy in this matter and suggested for the consideration of the Ministers his own view that industrial peace could be attained only if they adopted and enforced a policy which would secure for the workers fair wages, limit dividends and provide for the distribution of the surplus profit left over after providing reasonable reserves, between capital and labour. He pointed out that the recent increases in wages given to colliery workers ahad had a stabilising effect and there was, on the whole, very little unrest in the coalfields now. Production had also increased.

15. While generally agreeing with the Chairman, the West Bengal Minister pointed out that nationalisation of industry was the only real solution.

16. The Orissa Minister was not certain that nationalisation was the real remedy in the circumstances obtaining in the country. He felt that there should be some measure of parity between conditions of work and wages in the different industries in the country; otherwise there would be trouble.

17. The Bihar Minister agreed that an effort should be made to call for a truce between Capital and Labour.

18. The Bombay Minister pointed out that a truce could be called only if both the parties realised the dangers ahead. At the moment their opportunity.

19. The C.P. Minister was in agreement with the view that whatever could be done to improve the conditions of workders should be done and that the workders should be made to feel that they were working not merely for wages but were engaged in a work of great national importance.

see whether the bottom has in a position to bear anything more. Government should do whatever it could expeditiously and they should have both a long range programme and short-term remedies for dealing with the situation.

20. The Orissa Minister pointed out that in the present conditions of the country they were not in a position to meet even the

resonable demands of the workers. This limitation of national resources, should be clearly explained to the workers.

21. The East Punjab Minister agreed with the views expressed by the Bombay Minister.

22. The United Provinces Minister stated that tempo of strikes in his province had slowed down, as the workers were awaiting the report of the Labour Enquiry Committee appointed sometime ago by the U.P. Government and because of the co-operation of Congress workers and Socialists with Government. He pointed out that the employers resorted to all means at their disposal for evading or delaying the fulfilment of awards in labour disputes. He agreed with the Orissa Minister that the country was not in a position to meet even the legitimate demands of labour, but even so, he felt that it would not be impossible to carry a substantial section of the workers if they could show that the very best was being done for them. Workers would require to be convinced that there was nothing underhand about the employers and that the position was really what it was stated to be. Under these circumstances, a truce might be possible. Replying to a question about the possibility of employers striking, the U.P. Minister stated that the Trade Disputes Ordinance passed by the U.P. Government in June last has given power to Government to take over industrial establishments which failed to give effect to the terms of the award. The Provincial Government had already taken over the management of three factories under the Ordinance and a fourth had been handed over to the Sugar Syndicate.

23. The resolution regarding Employment Services was then discussed.

24. The Bombay Minister explained the Bombay Government's scheme for organising Employment Services for the textile industry. According to this, a list of workers waiting to be employed would be maintained and the Mills would be required to recruit only through this organisation and that the organisation would also provide facilities for improving the workers' efficiency.

25. After some discussion it was agreed that the Employment services managed by the Central Government should continue as at present and that its future control might be taken up for consideration as soon as the constitutional set up was finally decided.

26. The resolution of Wage Policy was then discussed.

27. The Minister from West Bengal was of the view that the Industrial Tribunals would be adequate to settle the question of wages and consequently, there was no need for any further legislation setting up Wage Boards.

28. The Chairman pointed out that Industrial Tribunals could act not only when there was a dispute, while the intention in setting up Wage Board was to have the question considered before a dispute could arise, and to prevent disputes arising in respect of wages.

29. The Bombay Minister agreed with the necessity for the constitution of Wage Boards and the promotion of legislation for that purpose. He stated that in Bombay they had found that the Industrial Court, which consisted of three Judges, had neither the time nor the technical knowledge to settle complicated questions relating to wage fixation, and that they had recommended the constitution of Wage Boards. The Bombay Industrial Disputes Act was being amended to provide for the constitution of Wage Boards, but decisions of the Wage Boards would be subject to appeal to the Industrial Court. The Wage Board consisting of members conversant with the intricacies of the problem would be able to settle the numerous questions that would inevitably arise in the settlement of wages in any big industry.

30. It was agreed that proposals regarding the formulation of a general wage policy should be worked out by the Ministry of

Labour and they should be circulated to the Ministers. The Central Ministry of Labour was also asked to work out proposals for Wage Board Legislation.

31. There was also general agreement that the Minimum Wages Bill should cover agricultural workers.

32. The resolution regarding conditions of work and labour welfare was then considered. The Chairman suggested that there should be periodical meetings of Factory Inspectors. This proposal was agreed to.

33. The Bombay Minister suggested that the payment of wages Act should be amended to give discretion to the Provincial Governments to utilise the Fines Fund and the undisbursed wages for the general benefit of workers and not merely for the welfare of the workers of the particular industrial establishment. This was agreed to.

34. Mr. Menon explained that the progress regarding the survey of medical facilities avilable in the various industrial areas in connection with the Health Insurance Scheme was somewhat slow. The Bombay and Bihar Ministers stated that steps were being taken to proceed with the work. The Bengal Minister asked for a copy of the papers, which Mr. Menon agreed to forward.

35. It was agreed that information about the labour policy and administration in the provinces should be submitted periodically to the Government of India.

36. The question of Industrial housing was then taken up for consideration. Mr. Menon explained briefly the previous discussions on this question. It was agreed that in the altered circumstances of the country and in view of the heavy burden falling upon the Central Government in connection with the refugee problem it would not be possible to expect any substantial subventions from Central revenues for industiral housing schemes. Consequently, the proposal that the funds necessary for financing industrial housing schemes might be raised by means of a levy on output, similar to the housing cess now levied on coal deppatches, was generally accepted. The Central Ministry of Labour was asked to work out details of this proposal for the consideration of Provincial Governments and Ministers. It was also agreed that the levy should be made in all provinces so that there might be uniformity in regard to its incidence.

37. It was also agreed that construction of houses by employers was not desirable, and that where houses were constructed by employers they should either be handed over for management to a Housing Board, or alternatively, the law should be made clear that the relationship between the employers and the workers occupying the houses was that between a landlord and the tenant and that employers would have no other means of turning out the worker.

38. The question regarding freezing of land values was then discussed and it was decided that the provinces should tackle the problem themselves.

39. The question whether the Central Government should proceed with the proposals to appoint the Committee of enquiry into the forced labour to ascertain what forms of forced labour were still prevalent and make recommendations for pending was then taken up for consideration.

40. The U.P. Minister stated that in his province forced labour had been stopped and there was hardly any necessity for the Centre to appoint a Committee.

41. The Orissa Minister pointed out that forced labour was mostly connected with agriculture and that this question would come up for examination in connection with their attempts to fix wages in agriculture and land tenure reforms.

42. The Chairman explained that it was not intended that the Committee should go round the country and take evidence. It would examine the existing legislation in the various provinces, hold discussions with Provincial Governments and make recommendations for ending such forms of forced labour as might still be prevalent. Forced labour was prevalent in many of the States and there was, therefore, a necessity for an enquiry. The enquiry would also enable the Central Government to ratify the International Labour Organisation Convention on forced labour.

43. After some discussion it was agreed that the proposal should be proceeded with.

44. It was decided that the next Ministers' Conference should be held in the latter half of April 1948, and that the suggestions of the Central Government regarding the agenda for the meeting should be circulated to the Ministers.

GOVERNMENT OF MADRAS
Development Department.

Memorandum No.108632-P.IV/48-3 dated 16th February 1948.

Sub: PROVINCIAL LABOUR MINISTERS' MEETING HELD IN NOVEMBER 1947 - Summary of proceedings.

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A copy of the summary of the proceedings of the informal meeting of the Provincial Labour Ministers held on the 16th and 17th November 1947 at New Delhi received from the Government of India, Ministry of Labour, is forwarded to the Commissioner of Labour for information.

K.G. MENON
Joint Secretary to Government.

To the Commissioner for Labour.

DEVELOPMENT DEPARTMENT.

Summary of proceedings of the Labour Ministers' Conference held in November 1947 is at pages 89-98 c.f. and may be perused. One copy of the proceedings may be sent to the Commissioner of Labour. Draft Memo is submitted for approval.

No action seems called for on the proceedings except in regard to para 11 on p. 93 c.f. where it was agreed on behalf of this Government that arrangements would be made for the setting up of a provincial tripartite organisation. The Government of India have separately addressed this Government urging that a provincial Labour Advisory Board should be set up immediately and necessary action is being in this regard. (Govt.Letter No.L.R.82(2)/ 3-2-1948.)

These papers may be recorded.

C.M/13.2.48

K.G.M(enon)/15.2.48
Secretary.

G.O. (Ms) No. 714 Dev. dated the 16th February 1948.

Abstract

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LABOUR - Labour Ministers' Conference - November 1947 - Papers - Recorded.

/True copy/

Superintendent,
Madras Record Office, Egmore

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